Canadian International Trade Tribunal

2013–14

Departmental Performance Report

The Honourable Joe Oliver

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Minister of Finance

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Foreword

Departmental Performance Reports are part of the Estimates family of documents. Estimates documents support appropriation acts, which specify the amounts and broad purposes for which funds can be spent by the government. The Estimates document family has three parts.

Part I (Government Expenditure Plan) provides an overview of federal spending.

Part II (Main Estimates) lists the financial resources required by individual departments, agencies and Crown corporations for the upcoming fiscal year.

Part III (Departmental Expenditure Plans) consists of two documents. Reports on Plans and Priorities (RPPs) are expenditure plans for each appropriated department and agency (excluding Crown corporations). They describe departmental priorities, strategic outcomes, programs, expected results and associated resource requirements, covering a three-year period beginning with the year indicated in the title of the report. Departmental Performance Reports (DPRs) are individual department and agency accounts of actual performance, for the most recently completed fiscal year, against the plans, priorities and expected results set out in their respective RPPs. DPRs inform parliamentarians and Canadians of the results achieved by government organizations for Canadians.

Additionally, Supplementary Estimates documents present information on spending requirements that were either not sufficiently developed in time for inclusion in the Main Estimates or were subsequently refined to account for developments in particular programs and services.

The financial information in DPRs is drawn directly from authorities presented in the Main Estimates and the planned spending information in RPPs. The financial information in DPRs is also consistent with information in the Public Accounts of Canada. The Public Accounts of Canada include the Government of Canada Consolidated Statement of Financial Position, the Consolidated Statement of Operations and Accumulated Deficit, the Consolidated Statement of Change in Net Debt, and the Consolidated Statement of Cash Flow, as well as details of financial operations segregated by ministerial portfolio for a given fiscal year. For the DPR, two types of financial information are drawn from the Public Accounts of Canada: authorities available for use by an appropriated organization for the fiscal year, and authorities used for that same fiscal year. The latter corresponds to actual spending as presented in the DPR.

The Treasury Board *Policy on Management, Resources and Results Structures* further strengthens the alignment of the performance information presented in DPRs, other Estimates documents and the Public Accounts of Canada. The policy establishes the Program Alignment Architecture of appropriated organizations as the structure against which financial and non-financial performance information is provided for Estimates and parliamentary reporting. The same reporting structure applies irrespective of whether the organization is reporting in the Main Estimates, the RPP, the DPR or the Public Accounts of Canada.

A number of changes have been made to DPRs for 2013–14 to better support decisions on appropriations. Where applicable, DPRs now provide financial, human resources and performance information in Section II at the lowest level of the organization's Program Alignment Architecture.

In addition, the format and terminology of the DPR have been revised to provide greater clarity, consistency and a strengthened emphasis on Estimates and Public Accounts information. As well, departmental reporting on the Federal Sustainable Development Strategy has been consolidated into a new supplementary information table posted on departmental Web sites. This new table brings together all of the components of the Departmental Sustainable Development Strategy formerly presented in DPRs and on departmental Web sites, including reporting on the Greening of Government Operations and Strategic Environmental Assessments. Section III of the report provides a link to the new table on the organization's Web site. Finally, definitions of terminology are now provided in an appendix.

Chairperson's Message

I am pleased to present the 2013-14 and last Departmental Performance Report (DPR) published by the Canadian International Trade Tribunal (CITT). Bill C-31 received Royal Assent on June 19, 2014, which means a DPR including support services provided to the CITT will now be published by the Administrative Tribunal Support Service of Canada (ATSSC).

The CITT's mandate is to provide Canadian and international businesses with access to fair, transparent and timely processes for the investigation of trade remedy cases and complaints concerning federal government procurement and for the adjudication of appeals on customs and excise matters. At the request of the Government, the CITT provides advice on tariff, trade, commercial and economic matters.

As predicted in the CITT 2013-14 Report on Plans and Priorities (RPP), the forecasted increase in the overall caseload materialized. In total, during 2013-14, the CITT issued more than 130 decisions and orders in the trade remedy, procurement review, and appeal areas of its mandate.

In a year of significant changes and the highest caseload in over a decade, I am particularly proud of the hard work, professionalism and dedication of Members and staff demonstrated by meeting all statutory deadlines and maintaining the CITT's global reputation of excellence.

In 2013-14, the CITT issued decisions in nine trade remedy inquiries and expiry reviews, representing approximately $3.7 billion of the Canadian market and approximately 4,300 jobs in Canada. As of December 31, 2013,, there were 25 *SIMA* findings and orders in force, affecting approximately $7.7 billion in shipments, $0.5 billion in investments, 22,000 direct jobs and $1.2 billion in imports.

This fiscal year the CITT received 49 new procurement complaints pertaining to 44 different contracts with a collective value of over $128 million. In furtherance of its role in safeguarding the integrity of the federal government's procurement processes, the CITT analyzed procurement complaints relating to the largest procurement entity, the Department of Public Works and Government Services Canada (PWGSC), from fiscal 2008-09 to 2012-13 and found that the CITT lacked jurisdiction to adjudicate on the substance of almost 25 percent of the complaints because parties filed them beyond the 10-day statutory deadline. In an effort to ensure that the supplier community is better aware of this deadline, and pursuant to the authority conferred upon me by section 30.19 of the *Canadian International Trade Tribunal Act*, I brought this observation to the attention of the Deputy Minister of PWGSC and suggested including a paragraph about the deadline in documents and correspondence distributed to bidders. PWGSC has since taken other steps to increase awareness of the applicable time constraints, and discussions on this issue continue. While it remains to be seen whether a more pro-active practice in communications with potential suppliers about the deadline will be generally adopted by government entities, the initial positive results are encouraging.

The *Special Import Measures Act* (*SIMA*), the *Customs Act* and the *Excise Tax Act* each include rights of appeal to the CITT from decisions of the Canada Border Services Agency (CBSA) and the Minister of National Revenue. These appeals are especially important to Canadian

small and medium businesses because they relate to a wide spectrum of consumer and industrial products. During 2013-14, a total of 61 new appeals were filed.

Even with an especially high and challenging caseload in 2013-14, CITT's management successfully completed several initiatives related to people, sound management and improved service delivery.

The CITT's senior management team completed a restructuring of the CITT that I began upon my appointment in 2011. Since that time, the CITT has reduced full-time employees by almost 30 percent and annual expenditures by nearly $2 million. This has been accomplished by significantly changing the CITT's program architecture and work processes.

For example, the CITT lowered annual costs for adjudicating procurement complaints and appeals by transferring responsibility for supporting Members in these areas of its mandate from the Research Branch to the Legal Branch. Notably, the CITT is now releasing procurement and appeal decisions much faster.

Subsequently, the Research Branch was renamed the Trade Remedy Investigations Branch, and its structure and the job descriptions of branch staff were amended to reflect the new focus of the branch and the specialization of its staff.

Most importantly, in response to a significant number of staff retirements in the Trade Remedies Investigations Branch, I made the recruitment and development of trade remedy investigators a top priority by creating a development program led by a manager responsible for training current investigators, and recruiting new investigators. I am pleased to report that the development program has already provided important new training to existing staff, and successfully recruited new staff with the core skill set to investigate trade remedy cases.

Other noteworthy accomplishments were introducing an articling program in conjunction with Justice Canada's Legal Excellence Program, a student internship program in cooperation with the University of Ottawa's Faculty of Law and a new inter-branch protocol on cooperation between the Trade Remedy Investigations Branch and the Legal Branch during trade remedy investigations.

Savings were also realized with the purchase of assistive technology for the mailroom. Communications products were streamlined and, combined with the new mailroom technology, mailing costs were reduced by over 40 percent—this despite a fiscal year that saw an unprecedented case load.

The successful implementation of these initiatives ensured that in a very challenging year, the CITT issued fair, timely, and transparent decisions and, in doing so, supported the Government's priorities of strengthening the economy and enhancing its services to Canadians.

Stephen A. Leach
Stephen A. Leach
Chairperson

Section I: Organizational Expenditure Overview

Organizational Profile

Minister: The Honourable Joe Oliver, Minister of Finance

Deputy Head: Stephen A. Leach, Chairperson

Ministerial portfolio: Department of Finance

Year established: 1988

Main legislative authorities: *Canadian International Trade Tribunal Act*, R.S.C., 1985, c. 47 (4th Supp.),

Other: The CITT is a court of record established by the Parliament of Canada on December 31, 1988, which merged the Canadian Import Tribunal, the Tariff Board and the Textile and Clothing Board. In 1994, the responsibilities of the Procurement Review Board of Canada were transferred to the CITT.

Organizational Context

Raison d'Être

The CITT provides Canadian and international businesses with access to fair, transparent and timely processes for the investigation of trade remedies cases and complaints concerning federal government procurement and for the adjudication of appeals on customs and excise matters. At the request of the Government, the CITT provides advice in tariff, trade, commercial and economic matters.

Responsibilities

The CITT was established in December 1988 under the *Canadian International Trade Tribunal Act* (*CITT Act*). It acts as an independent, investigative and quasi-judicial decision-making body that reports to Parliament through the Minister of Finance. The CITT also derives authority from *SIMA*, the *Customs Act* and the *Excise Tax Act*. The CITT's office is located in Ottawa, Ontario.

The CITT fulfils the following roles within the Government of Canada:

- inquires, under *SIMA*, into whether dumped or subsidized imports have caused, or are threatening to cause, injury to a domestic industry;
- inquires into complaints by potential suppliers concerning procurement by the federal government that is covered by the *North American Free Trade Agreement* (*NAFTA*), the *Agreement on Internal Trade* (*AIT*), the World Trade Organization (WTO) *Agreement on Government Procurement* (*AGP*) or any other applicable trade agreement;

- hears appeals from decisions of the Canada Border Services Agency (CBSA) made under the *Customs Act* and *SIMA*, and of the Minister of National Revenue under the *Excise Tax Act*;
- inquires into and provides advice on such economic, trade and tariff issues as are referred to the CITT by the Governor in Council or the Minister of Finance;
- investigates requests from Canadian producers for tariff relief on imported textile inputs used in their production operations and makes recommendations to the Minister of Finance on the requests; and
- undertakes safeguard inquiries into complaints by domestic producers that a rapid increase in imports is causing, or threatening to cause, injury to domestic producers and makes recommendations to the Government on an appropriate remedy.

Strategic Outcome(s) and Program Alignment Architecture

1 Strategic Outcome: Fair, timely and transparent disposition of international trade cases and government-requested inquiries into economic, trade and tariff matters within the CITT's jurisdiction.

1.1 Program: Adjudication of Trade Cases (quasi-judicial role)

1.2 Program: General Economic Inquiries and References (advisory role)

Internal Services

Organizational Priorities

Priority	Type[1]	Strategic Outcome(s) and/or Program(s)
Process cases within legislative and internal deadlines and maintain quality standards	Ongoing	Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction
Summary of Progress		
The CITT met this objective in all its cases. The CITT has a statutory obligation to hear cases and make sound decisions on matters that fall within its jurisdiction within legislative and internal deadlines. In so doing, the CITT supports a fair marketplace in Canada, maintains its strong reputation both within Canada and throughout the world and complies with its legislative requirements. In appeals, the CITT exceeded its target of issuing 70 percent of decisions within 120 days of the		

1. Type is defined as follows: **previously committed to**—committed to in the first or second fiscal year prior to the subject year of the report; **ongoing**—committed to at least three fiscal years prior to the subject year of the report; and **new**—newly committed to in the reporting year of the RPP or DPR. If another type that is specific to the department is introduced, an explanation of its meaning must be provided.

hearing. It issued 100 percent within 120 days. This accomplishment is largely attributable to a shift in appeals work from the Trade Remedy Investigations Branch to Legal Services, the recruitment of additional legal counsel, workflow improvements, and the introduction of the Senior Counsel and Case Manager position to supervise progress on appeals work. These changes were made the year before but the full benefits were felt in 2013-14.

Priority	Type	Strategic Outcome(s) [and/or] Program(s)
Improve service delivery	Ongoing	Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction

Summary of Progress

The priority was met, and is ongoing.

During fiscal year 2013-14, the CITT piloted an Excel-based questionnaire to assist stakeholders in providing information to the CITT. These questionnaires helped reduce the time spent by staff on manual data entry and the number of revisions required to responses due to clerical error. Feedback received from stakeholders was taken into consideration as the questionnaires were modified and improved throughout the project. Work on developing electronic tools to assist with the development and verification of questionnaires is ongoing to allow the CITT to conduct trade remedy investigations in a more efficient and timely manner.

To reduce the burden on suppliers to the federal government who seek recourse to the CITT, the CITT reduced the number of hard copies that procurement complainants have to file from seven to one.

The CITT also improved service delivery by reducing the average number of days to deliver appeal and procurement review decisions. Since responsibility for supporting CITT members on appeals and procurement review was transferred from the Trade Remedies Investigations Branch to Legal Services exclusively, the average number of days to deliver an appeal decision after a hearing has fallen from 104 days to 81 days. The average number of days to deliver a decision on whether to initiate a procurement inquiry has fallen from 4 working days to 3 working days, with the rejection decisions issued in 3 days on average compared to 16 days previously. The average number of days to complete a "standard-length" procurement inquiry (90-day statutory time limit) has fallen from 83 days to 73 days, and from 112 days to 94 days overall (including inquiries that can take up to 135 days).

Priority	Type	Strategic Outcome(s) and/or Program(s)
Invest in its people	Ongoing	Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction

Summary of Progress
The priority was met, and is ongoing. As set in the 2013-14 RPP, the CITT's reputation of excellence depends largely on its highly specialized workforce working closely together to deliver on its mandate. To provide an open and cooperative environment, management communicated regularly by staff bulletins or team meetings to inform employees of changes to the organization or changes in business process. One of the major achievements in 2013-14 at the CITT was the successful implementation of the Trade Remedies Investigative Officer Development Program that provides a path from the CO-01 level to the CO-02 level. The first graduate of this development program is expected in early 2014-15. The CITT's Legal Services launched an articling program and a for-credit internship program for law students. As well, all CITT employees developed a learning plan and, to the extent possible, had an opportunity to apply for vacancies within the organization. One legal counsel and a director of the Trade Remedy Investigations Branch attended the Academy of WTO Law and Policy at Georgetown University. Several members of staff were given official language training. Several staff members participated in technical exchanges in Washington, with the United States International Trade Commission, United States Department of Commerce, and United States Government Accountability Office, and in Geneva, with the WTO. The CITT also hosted a technical exchange with officials from the China Ministry of Commerce.

Priority	Type	Strategic Outcome(s) and/or Program(s)
Sound management practices	Ongoing	Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction
Summary of Progress		
This priority was met, and is ongoing. The CITT took part in 2013-14 in the horizontal internal audit of financial forecasting conducted by the Office of the Comptroller General. The audit provided valuable feedback for management and confirmed that the CITT's forecasts were sound and reliable. Due to a fixed budget and an unpredictable caseload, accurate forecasting of expenditures is of vital importance. This fiscal year was another example of that, as accurate forecasting allowed the CITT to reallocate existing funding to address the highest caseload in over a decade without exceeding its budget or lapsing funds. The management of Legal Services was overhauled. The General Counsel position was abolished and direction of the CITT's legal staff is shared by two senior counsels, one responsible for overseeing trade remedies work and the other for overseeing the provision of legal services in the areas of appeals and procurement review. As with all the other executives of the CITT, the Senior Counsel reports to the Executive Director. The CITT implemented organizational changes in the Trade Remedy Investigations Branch to delegate responsibility and authority of financial and human resources to lower levels of management. This decision-making power will enable managers to better respond to shifting operational priorities without having to seek approval at higher levels. To improve governance and coordination between branches, an Operations Committee was established. This committee is chaired by the Executive Director and includes representatives from Legal Services, the Secretariat, and the Trade Remedy Investigations Branch.		

Risk Analysis

Key Risks	Risk Response Strategy	Link to Program Alignment Architecture
Inability to process cases in a timely manner with adequate quality in a period of high workload and budgetary constraints	This risk was identified as part of the 2013-14 RPP. In response to large fluctuations in its workload during the 2013-14 fiscal year, CITT management reallocated its resources and prioritized spending in order to meet its mandate. For example, the CITT is funded for 72 FTEs but, by reallocating existing funding, the CITT was able to hire 28 term or casual employees to meet a peak workload in the fall. Additionally, in preparation for the peak workload, senior management provided additional training to staff to increase knowledge and productivity. Lastly, at the peak of the CITT's *SIMA* workload, the Chairperson enhanced the role of Legal Services to capitalize on their legal writing skills and enable the Trade Remedies Investigations Branch to focus on its core investigative functions.	1.1 Program: Adjudication of Trade Cases (quasi-judicial role)
Inability to optimize allocation of existing resources	This risk was identified as part of the 2013-14 RPP. The CITT has undergone significant restructuring of its organization and processes and the process was finalized in late 2013-14. These organizational changes have improved efficiency and will provide the CITT with more capacity for future years. Changes in processes for the *SIMA* mandate provided the CITT with a more efficient approach in dealing with a high number of cases in a context of a fluctuating but high workload. To expand capacity at low cost, Legal Services joined an articling program hosted by the Department of Justice and hired two students. In addition, two law student interns worked in Legal Services for credit from the University of Ottawa. The Trade Remedy Investigations Branch also hired several students. The Trade Remedy Investigations Branch was able to focus on its core duties by giving Legal Services an enhanced support role in *SIMA* cases. O&M	1.1 Program: Adjudication of Trade Cases (quasi-judicial role)

	expenditures were reduced and the money reallocated to core operations.	
Inability to develop strategies for the expanded use of electronic records and to comply with green procurement initiatives	This risk was identified as part of the 2013-14 RPP. In 2012-13 the CITT piloted an electronic questionnaire that would allow respondents to save time and to check for errors when they provide information to the CITT. The results of the pilot project for the electronic questionnaire indicated that there were numerous challenges to overcome before the CITT could fully implement such an initiative. The CITT ran a second pilot project in the 2013-14 fiscal year using a different format electronic questionnaire. Response to this questionnaire was favourable, and staff continues to evaluate the results of the pilot project and further refine the questionnaires, taking into account comments from stakeholders.	1.1 Program: Adjudication of Trade Cases (quasi-judicial role) Internal Services
Inability to adequately support information management (IM)/information technology (IT) business applications	This risk was identified as part of the 2013-14 RPP. The IM/IT section successfully completed the first phase of the design for a corporate electronic filing system (GCDocs). When completed, this information management system will improve corporate memory retention and the sharing of information among corporate services employees.	1.1 Program: Adjudication of Trade Cases (quasi-judicial role) Internal Services

Risk Narrative

While the CITT tracks factors that tend to influence the number of cases before it, including the state of the Canadian, U.S. and global economies, and the global trade environment, the CITT's caseload is unpredictable in terms of volume, timing and complexity because it is driven by external demands to which it can only react rather than anticipate.

In addition, given a fixed budget of which 87 percent is allocated to salary and benefits, the CITT is constrained in its ability to reallocate financial resources to meet significant increases in caseload. Consequently, the CITT must continuously seek efficiencies and optimize the allocation of existing resources.

The 2013-14 fiscal year was a very challenging year in terms of managing the increase in trade remedies cases while ensuring that all the mandates were met. The clustering of cases was particularly high in the fall of 2013 which required the CITT to reallocate existing resources to ensure that all the deadlines were met. Due to the increased caseload with the same level of

financial resources, CITT management had to prioritize and very closely monitor its spending in order to process cases within statutory deadlines.

The CITT managed this situation by temporarily increasing its human resources through casual and term employment, as well as the employment of co-op students in the Trade Remedy Investigations Branch and the implementation of an articling student program in Legal Services. Legal Services also had two law interns working part-time in the fall for credit from the University of Ottawa. The CITT also made modifications to work processes related to trade remedies cases, allowing for greater collaboration between the Trade Remedy Investigations Branch and Legal Services in providing support to CITT members deciding cases. The reorganization of appeals and procurement review staff in the preceding year was fully completed this fiscal year and paid dividends in terms of cost savings and operational efficiencies.

During this busy period, the CITT piloted Excel-based questionnaires for its trade remedies cases. These questionnaires were successful in reducing the amount of manual data entry required by CITT staff, and resulted in a reduction of clerical errors in questionnaire replies submitted by respondents.

Actual Expenditures

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	Difference (actual minus planned)
9,893,541	9,893,541	11,064,547	10,896,125	1,002,584

During 2013-14, the CITT's planned spending was $9,894 million. Through the Main Estimates and Supplementary Estimates, the CITT was allocated total authorities of $11,065 million, of which $587,659 consisted of a transfer of appropriation under TB Vote 30 to pay for parental leave and severance pay and $432,743 under TB Vote 25 that was carried forward from the previous year. Actual spending for the CITT was $10.9 million. The variance of $1,002,584 from actual v. planned spending is a direct result of the large increase in trade remedy cases and from the payments of parental leave and severance pay under TB Vote 30.

Human Resources (full-time equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
73	80	7

Due to the large increase in trade remedies cases during the fall of 2013, the CITT hired the equivalent of an additional 7 FTEs, most of whom were employed in the Trade Remedies Investigations Branch.

Budgetary Performance Summary for Strategic Outcome(s) and Program(s) (dollars)

Strategic Outcome(s), Program(s) and Internal Services	2013–14 Main Estimates	2013–14 Planned Spending	2014–15 Planned Spending	2015–16 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2012–13 Actual Spending (authorities used)	2011–12 Actual Spending (authorities used)
Strategic Outcome 1: Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction								
Adjudication of trade cases (quasi-judicial role)	7,321,221	7,321,221	7,012,787	7,012,787	8,187,764	8,063,133	8,395,969	6,633,211
General economic inquiries and references (advisory role)	98,935	98,935	94,767	94,767	110,645	108,961	115,013	105,289
Subtotal	7,420,156	7,420,156	7,107,554	7,107,554	8,298,409	8,172,094	8,510,982	6.738,500
Internal Services Subtotal	2,473,385	2,473,385	2,369,185	2,369,185	2,766,137	2,724,031	2,990,345	3,790,406
Total	9,893,541	9,893,541	9,476,739	9,476,739	11,064,546	10,896,125	11,501,327	10,528,906

Alignment of Spending With the Whole-of-Government Framework

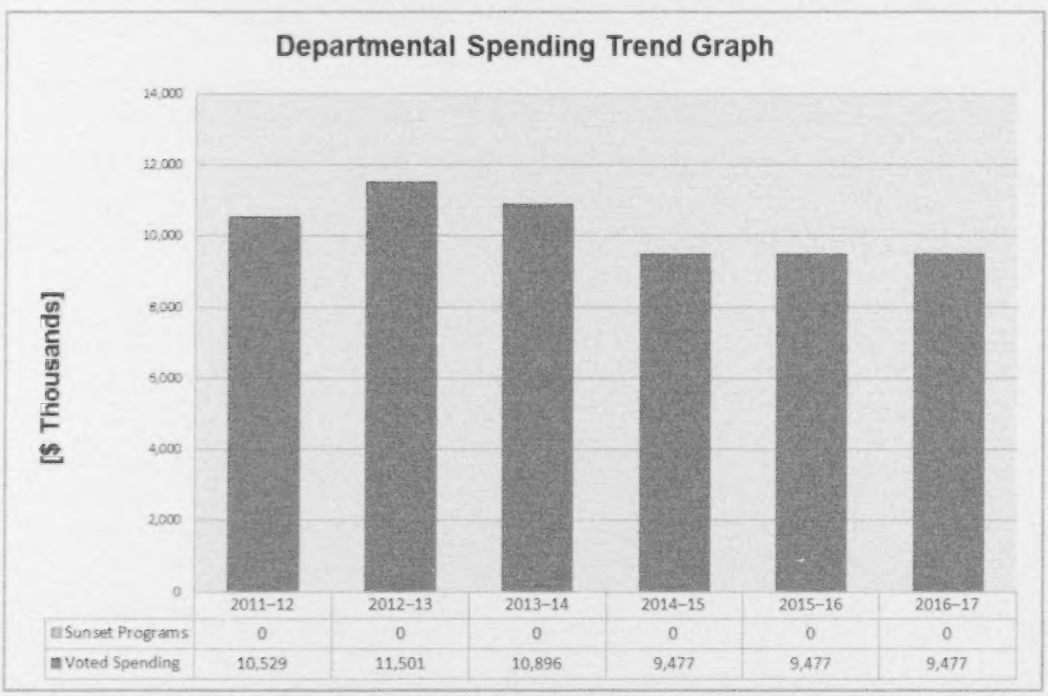
Alignment of 2013–14 Actual Spending With the Whole-of-Government Framework[i] (dollars)

Strategic Outcome	Program	Spending Area	Government-of-Canada Outcome	2013–14 Actual Spending
Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction	Adjudication of trade cases (quasi-judicial role)	Economic Affairs	Fair and secure marketplace	8,063,133
	General economic inquiries and references (advisory role)	Economic Affairs	Fair and secure marketplace	108,961

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	7,420,156	8,172,094
Social Affairs		
International Affairs		
Government Affairs		

Departmental Spending Trend



The fluctuations in spending and planned spending since 2011-2012 can be explained by the following four events:

1. From 2009-10 to 2011-12, more resources were allocated to the CITT in order to alleviate a short-term operating budget shortfall resulting from an expected increase in trade remedy and procurement cases caused by the global economic recession.
2. In 2012-13, the CITT proceeded with the retrofit of its accommodations for a total cost of $1.7 million.
3. In 2013-2014, the CITT exhausted its carry-over limit in order to process the cluster of trade remedy cases that had unexpectedly materialized in the fall/winter.

4. In 2014-15 and for future years, the CITT's budget will be reduced by $0.5 million as part of the Deficit Reduction Action Plan.

Estimates by Vote

For information on the CITT's organizational votes and statutory expenditures, consult the *Public Accounts of Canada 2014* on the Public Works and Government Services Canada Web site.[ii]

Section II: Analysis of Program(s) by Strategic Outcome

Strategic Outcome: Fair, timely and transparent disposition of international trade cases, procurement cases and government-mandated inquiries within the CITT's jurisdiction

Performance Measurement

Performance Indicators	Targets	Actual Results
CITT decisions overturned by the Federal Court of Appeal and/or international appeal bodies	Not more than 2 percent of all decisions rendered over the most recent five-year period are overturned by the Federal Court of Appeal and/or international appeal bodies	1.07 percent of all decisions rendered over the most recent five-year period were overturned by the Federal Court of Appeal and/or international appeal bodies (see the Judicial Review section of this document for more details)
CITT notices, decisions and guidelines are accessible to the public	100 percent of notices, decisions and guidelines for all areas of its mandate and practice notices are accessible to the public through the CITT's Web site, the *Canada Gazette* and/or MERX (Canada's electronic tendering service)	In 2013-2014, 100 percent of the CITT notices, decisions and guidelines were accessible to the public

Judicial Review

The CITT's decisions are ordinarily reviewed by the Federal Court of Appeal.[2] Over a five-year period between 2009-10 and 2013-14, the ratio of overturned decisions to decisions subject to judicial review or appeal was 1.07 percent for the period ending March 31, 2014, thereby meeting the CITT's target of not more than 2 percent. None of the cases that were overturned were vacated on a "due process" ground, which meets the CITT's target of less than 1 percent of decisions overturned for reasons of "due process". The following table shows the applications and disposal of requests for judicial review or appeals for the above five-year period.

In fact no decision was overturned during the fiscal year nor was any decision of the CITT challenged under the dispute settlement mechanisms of the WTO or *NAFTA*.

2. In rare cases, binational panels under *NAFTA* or other international trade agreements or a WTO dispute settlement panel have been convened or called upon to review the CITT's *SIMA* findings. There were no new applications by parties for the review of the CITT's decisions before these panels in 2013-2014. Where the CITT decides on an appeal under the *Excise Tax Act* and a party appeals the CITT's decision, the matter is heard by the Federal Court in a hearing *de novo*.

Treatment of CITT's Decisions Before the Federal Court of Canada	
	Five-year Period
Decisions subject to judicial review or appeal[1]	931
Decisions for which applications for judicial review or appeal were filed	160
Decisions for which applications for judicial review or appeal were withdrawn or discontinued	54
Decisions for which the applications for judicial review were dismissed	34
Decisions overturned[2]	10
Decisions overturned on due process	0
Percentage of all decisions rendered that were overturned by the Federal Court of Appeal, the Federal Court or an international appeal body[3]	1.07
Percentage of all decisions rendered that were overturned by the Federal Court of Appeal and/or international appeal bodies on judicial review dealing specifically with "due process"	0

1. For the purpose of this table, cases are all decisions and reports issued, including decisions not to initiate procurement inquiries. The number of cases corresponds to that of the caseload table found in the CITT's Annual Report and excludes withdrawals.
2. Overturned also includes decisions remanded to the CITT.
3. The methodology has been modified since 2011-2012 to reflect the fact that, where a single remand decision is issued in respect of multiple cases, it is accounted for as a single case. This is only applicable where the nature of the remand is identical for all the cases overturned and is intended to avoid over counting by properly reflecting that the remanded cases were all in respect of the same parties and the same issue.

Information Available to the Public

All notices, practice notices, decisions and guidelines pertaining to the CITT's mandate were published on the CITT's Web site and, in the case of statutorily required notices, published in the *Canada Gazette*. In the matter of *SIMA*, procurement and appeal cases, all decisions were distributed to interested parties.

Program 1.1: Adjudication of Trade Cases (quasi-judicial role)

Description

The CITT's adjudicative mandate is to provide a fair, timely and transparent trade remedy system to Canada's business sector, thereby preserving confidence in the Canadian market, to the benefit of Canadian businesses and consumers.

The CITT acts as an independent, quasi-judicial decision-making body that derives its adjudication authority from the *CITT Act*, *SIMA*, the *Customs Act* and the *Excise Tax Act*. It operates within Canada's trade remedy system applying existing policies and laws related to addressing unfair competition in the domestic market or providing emergency protection against imported items that are seen to cause injury to a domestic industry. The CITT also hears

appeals from decisions of the Minister of National Revenue and the CBSA. It has also been designated as the bid challenge authority under the *AIT*, *NAFTA*, the *AGP* and other trade agreements in the federal government procurement process.

In its quasi-judicial role, the CITT's caseload is comprised of the following:

- Unfair trade cases—inquiries under *SIMA* into whether dumped and/or subsidized imports have caused or are threatening to cause injury to a Canadian industry;
- Bid challenges—inquiries into complaints by potential suppliers concerning federal government procurement under *NAFTA*, the *AIT*, the *AGP* and other trade agreements;
- Appeals of decisions of the CBSA made under the *Customs Act* and *SIMA*, and decisions of the Minister of National Revenue under the *Excise Tax Act*; and
- Safeguard cases—inquiries into whether a rapid increase in imports from around the world may be causing injury to a Canadian industry.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
7,321,221	7,321,221	8,187,764	8,063,133	741,912

Human Resources (full-time equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
54	59	5

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
CITT's decisions are fair, impartial and based on quality information	Soundness of the CITT's decisions under judicial review that are overturned by the Federal Court of Appeal and/or international appeal bodies based on "due process" not being followed.	Less than 1 percent of all decisions on "due process" will be overturned.	No decisions rendered were overturned by the Federal Court of Appeal and/or international appeal bodies on judicial review dealing specifically with "due process".

Decisions rendered within statutory deadlines	Decisions are issued within statutory deadlines. The CITT's decisions regarding dumping and/or subsidizing, safeguard inquiries and procurement complaints are subject to statutory deadlines.	All decisions are issued within the legislated deadline.	100 percent of statutory deadlines were met.
Decisions on appeals rendered within internal deadlines	Appeal decisions are issued within internal deadlines. There is no statutory deadline imposed for appeals of decisions of the CBSA and Minister of National Revenue. However, the CITT has adopted an informal, voluntary standard of issuing such decisions within 120 days of the hearing of an appeal.	70 percent of internal deadlines are met.	100 percent of internal deadlines were met.

Performance Analysis and Lessons Learned

Trade Remedy Cases

The CITT issued decisions in four preliminary injury inquiries, four final injury inquiries, five requests for interim reviews, two interim reviews, four expiry processes, and five expiry reviews. With regard to these 24 decisions, the CITT fully met its performance targets in terms of meeting statutory deadlines and making information available to the public.

Procurement Cases

In 2013-14, 60 decisions on procurement cases were issued and subject to statutory deadlines. In addition, 13 orders relating to cost award, postponement of award and rescission of postponement of award were issued. The CITT fully met its performance target in terms of meeting its statutory deadlines and making information available to the public.

Appeal Cases Issued Within Internal Deadlines

In 2013-14, the CITT issued 42 appeal decisions, as well as 3 decisions on extension of time. There is no legislative deadline imposed for appeals of decisions of the CBSA or of the Minister of National Revenue. However, the CITT has adopted a voluntary internal standard of issuing such decisions within 120 days of the hearing of an appeal. Of the 45 appeal decisions issued in 2012-13, 45 (100 percent) were issued within this self-imposed standard. The CITT exceeded its target of meeting the standard at least 70 percent of the time.

Lessons Learned

When responding to an increased caseload with resource constraints, there is a need to be flexible and adaptable in work processes in order to make the best use of limited resources. The CITT developed a list of standard operating procedures for new and temporary employees and realigned work processes of the Trade Remedy Investigations Branch and Legal Services on trade remedies cases to allow for increased collaboration between the two branches and to best utilize the core expertise of each branch.

Program 1.2: General Economic Inquiries and References (advisory role)

Description

In its advisory role, the CITT's caseload is comprised of three types of cases. First, the CITT plays an advisory role when requested by the Government to recommend measures to alleviate injury to domestic producers following a safeguard inquiry. Periodically, the Government may also direct the CITT to inquire into general economic, trade or tariff matters. In such inquiries, the CITT conducts research, receives submissions, conducts hearings and presents recommendations, as required, to the Government or the Minister of Finance.

The CITT has received a standing reference from the Minister of Finance to investigate requests from domestic producers for tariff relief on imported textile inputs for use in their manufacturing operations and make recommendations to the Minister of Finance that would maximize the net economic benefits to Canada.

In its advisory role, the CITT's caseload is comprised of the following:

- Safeguard cases—where the CITT finds injury to a Canadian industry, the Governor in Council may request that the CITT recommend appropriate measures for dealing with the increase in imports;
- General economic, trade and tariff inquiries referred by the Government—inquiries and advice on such economic, trade and tariff issues as are referred to the CITT by the Governor in Council or the Minister of Finance; and
- Standing tariff reference referred by the Minister of Finance—investigations into requests from Canadian producers for tariff relief on imported textile inputs that they use in their production.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
98,935	98,935	110,645	108,961	10,026

Human Resources (full-time equivalents [FTEs])

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
1	1	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
CITT recommendations on economic, trade and tariff matters and the standing textile reference are fair, impartial and based on quality information	Recommendations meet the terms of reference and provide requested information. An indicator of the soundness of the CITT's decisions is the number of requests for additional information from the Minister of Finance.	All recommendations meet the terms of reference.	N/A
	Reports, decisions and recommendations are published within government-mandated deadlines. The CITT's recommendations regarding the tariff reference and economic inquiries are subject to statutory deadlines.	All recommendations are published within statutory deadlines.	N/A

Performance Analysis and Lessons Learned

In the context of its standing textile reference, the CITT ordinarily issues its recommendations, with reasons, to the Minister of Finance within 100 days from the date of commencement of the inquiry. In exceptional cases, where the CITT determines that critical circumstances exist, it will issue its recommendations within an earlier specified time frame.

During 2013-14, the CITT did not receive any new requests for tariff relief on textile inputs. However, the CITT still allocated modest human and financial resources to this program activity in order to maintain a core level of knowledge and expertise in this highly specialized area should the need again arise. Further, the CITT is required to report on the standing textile reference in its annual report and devotes an entire chapter to this area of its mandate.

The CITT has not received any references from the Government since 2005-06.

Lessons Learned

Even though the CITT's many renewal initiatives were primarily focussed on its trade remedies, procurement and appeals mandates, they also supported the renewal of the specialized knowledge required to respond to government references.

Internal Services

Description

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

Budgetary Financial Resources (dollars)

2013–14 Main Estimates	2013–14 Planned Spending	2013–14 Total Authorities Available for Use	2013–14 Actual Spending (authorities used)	2013–14 Difference (actual minus planned)
2,473,385	2,473,385	2,766,137	2,724,031	250,646

Human Resources (FTEs)

2013–14 Planned	2013–14 Actual	2013–14 Difference (actual minus planned)
18	20	2

Performance Analysis and Lessons Learned

The CITT undertook several initiatives in 2013-14 to improve its information technology and management function. As such, the IM/IT Branch successfully underwent various competitive procurement initiatives in order to secure expertise in areas such as network security, information management and operational support. In addition, training and knowledge transfer sessions were conducted throughout the year. Support for the electronic questionnaire pilot project was provided and encouraging feedback was received. The ground work in implementing the CITT's GCDocs solution was completed and only user implementation remains.

The CITT has also participated in government-wide initiatives such as Common Human Resources Business Processes and the new Performance Management Directive and were all fully implemented prior to March 31, 2014.

Section III: Supplementary Information

Financial Statements Highlights

Canadian International Trade Tribunal
Condensed Statement of Operations and Departmental Net Financial Position (unaudited)
For the Year Ended March 31, 2014
(dollars)

	2013–14 Planned Results (restated)	2013–14 Actual	2012–13 Actual	Difference (2013–14 actual minus 2013–14 planned)	Difference (2013–14 actual minus 2012–13 actual)
Total expenses	13,468,000	13,169,000	13,581,000	(299,000)	(412,000)
Total revenues	-	1,000	-	1,000	1,000
Net cost of operations before government funding and transfers	**13,468,000**	**13,168,000**	**13,581,000**	**(300,000)**	**(413,000)**
Departmental net financial position	**146,000**	**295,000**	**(326,000)**	**149,000**	**621,000**

Canadian International Trade Tribunal
Condensed Statement of Financial Position (unaudited)
As at March 31, 2014
(dollars)

	2013–14	2012–13	Difference (2013–14 minus 2012–13)
Total net liabilities	1,447,000	1,921,000	(474,000)
Total net financial assets	794,000	749,000	45,000
Departmental net debt	653,000	1,172,000	(519,000)
Total non-financial assets	948,000	846,000	102,000
Departmental net financial position	**295,000**	**(326,000)**	**621,000**

Financial Statements

The CITT's financial statements are available at the CITT's Web site[iii].

Supplementary Information Tables

The supplementary information tables listed in the *2013–14 Departmental Performance Report* can be found on the CITT's Web site[iv].

- Departmental Sustainable Development Strategy.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures, such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[v] publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

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Canada

Telephone: 613-990-2452
Fax: 613-990-2439
Web site: www.citt-tcce.gc.ca

Appendix: Definitions

appropriation: Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures: Include operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report: Report on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Report on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent: Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes: A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure: A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures: Include net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance: What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator: A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting: The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending: For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans: The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities: Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program: A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

results: An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

Program Alignment Architecture: A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities: Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

Strategic Outcome: A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program: A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target: A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

whole-of-government framework: Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

i. Whole-of-government framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx
ii. *Public Accounts of Canada* 2014, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html
iii. Financial Statements, http://www.citt-tcce.gc.ca/en/annual
iv. Departmental Sustainable Development Strategy, http://www.citt-tcce.gc.ca/en/departmental-performance-reports
v. *Tax Expenditures and Evaluations* publication, http://www.fin.gc.ca/purl/taxexp-eng.asp